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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 16, 2008

Ted & Laurette Thompson
Carnotite, LLC
775 East Claybourne Ave.
Salt Lake City, Utah 84106

Subject: Deficient Revised Notice of Intention to Commence Small Mining Operations, Carnotite LLC, Carnotite West Mine, S0150097, Task 2406, Emery County, Utah

Dear Mr. & Mrs. Thompson:

The Division has reviewed the revised Notice of Intention to Commence Small Mining Operations (NOI) dated May 15 and received May 19, 2008. We apologize for the delay in responding to your submittal.

There are several items in the NOI that need to be clarified, and we invite you to schedule a meeting where we can discuss these issues. Although they are listed below, it may be easier for the Division to express and for you to understand the deficiencies in your NOI if we can discuss them in a meeting.

1. Lee Thompson is listed as a member or manager of Carnotite LLC, but the only member listed with the Division of Corporations is Ted Thompson. Please make this correction in the NOI or update the information with the Division of Corporations.
2. Please include the name and address of the BLM office processing this application, and please also include the BLM project number.
3. The NOI needs to include a map showing the location of the project in relation to other nearby surface features. A 7.5-minute topographic map with site locations marked should be sufficient, but it needs to contain enough detail that an inspector can find any surface facilities. The Division cannot verify the legal description based on the information provided, so the legal description might need to be modified once the map is received.
4. The map labeled Carnotite West Mine at a scale of $\frac{1}{4}'' = 100'$ shows several facilities, but it is unclear which of these will be part of your operation. The text says all surface use will be in a 400 by 500 foot area surrounding the main portal, but the text also says other openings would be used for ventilation. Any openings used for ventilation or as emergency exits need to be included as part of the disturbed area acreage.
5. There are inconsistencies in the disturbed area acreage. The NOI says the disturbed area would be $2\frac{1}{2}$ acres, but the Carnotite West Mine map at a scale of $1'' = 100'$ indicates the disturbed area would be three acres.



6. A 400 by 500 foot area (4.59 acres) is marked on this map, and although the NOI says much of the area would not be used in the mining operation, the various facilities seem to cover a large portion of the area shown on the map. It appears from this map that the actual area disturbed might be more than three acres. Please mark on this map those areas that would and would not be used for the mining operation. The existing roads in the vicinity of the operation need to be included as part of the disturbed area although they may not need to be reclaimed if they are part of the Emery County road system. Also, as discussed in item 4 above, does this map show all the surface facilities?
7. The list of equipment does not include the diesel fuel tank, but it does include a waste water tank not shown on the map. Please make these corrections.
7. You have requested a variance from soil salvage requirements because much of the area is rock outcrop with no soil or is covered with waste rock. The NOI says the remaining areas are covered with shale and clay. The Division may be willing to approve this variance but needs further information about the areas covered with shale and clay. Is there any vegetation growing in these areas? Areas covered with clay and shale sometimes have no vegetation, but they will sometimes, as in the case of Mancos shale, support growth of tolerant species.

The Division will await your response before reviewing the bond calculations because it is unclear at this time exactly what disturbances will need to be reclaimed and what the nature of these disturbances will be. The Division cannot determine a final amount until it has concurrence from the BLM, and your plan of operations with the BLM must be complete or nearly so before they can agree to an amount.

If you have questions about the requirements in this letter or wish to arrange a meeting as we recommend, please contact Paul Baker at 801-538-5261. Thank you for your cooperation.

Sincerely,



Dana Dean, P.E.
Associate Director, Mining